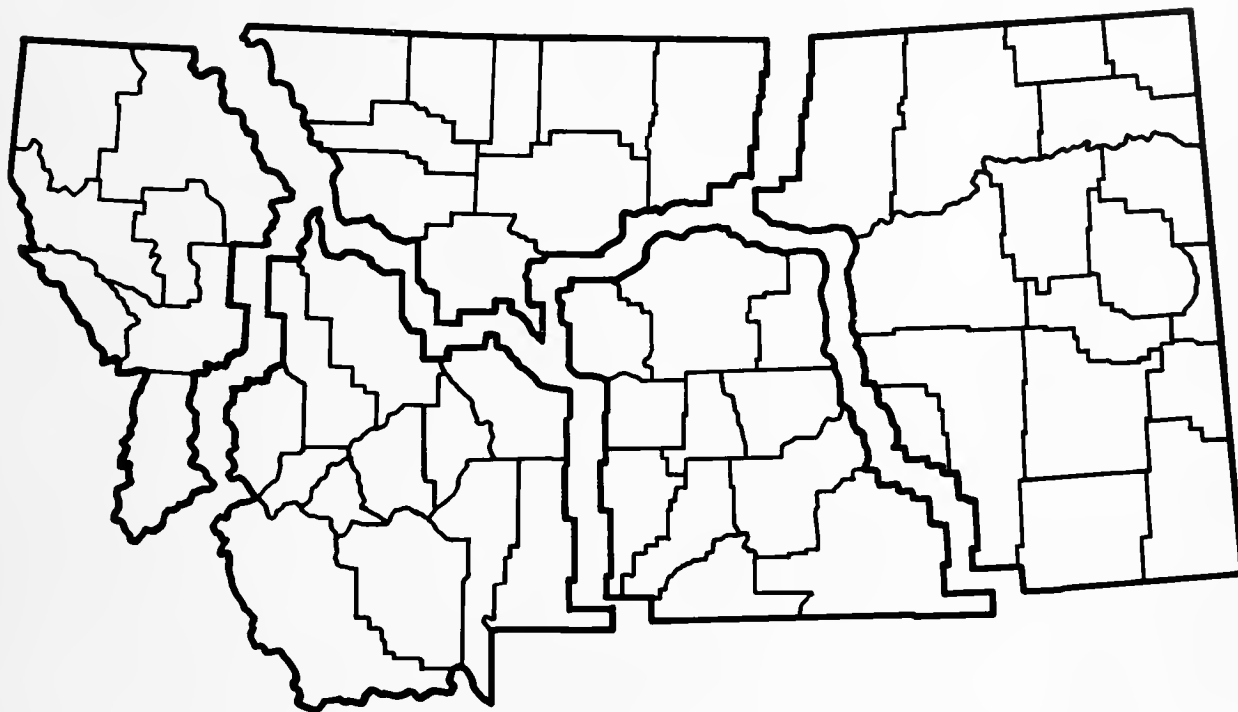


S
353.609786
M2MH
1977
1

36

Montana



Health Systems Agency



The First Year

STATE DOCUMENTS COLLECTION

PLEASE RETURN

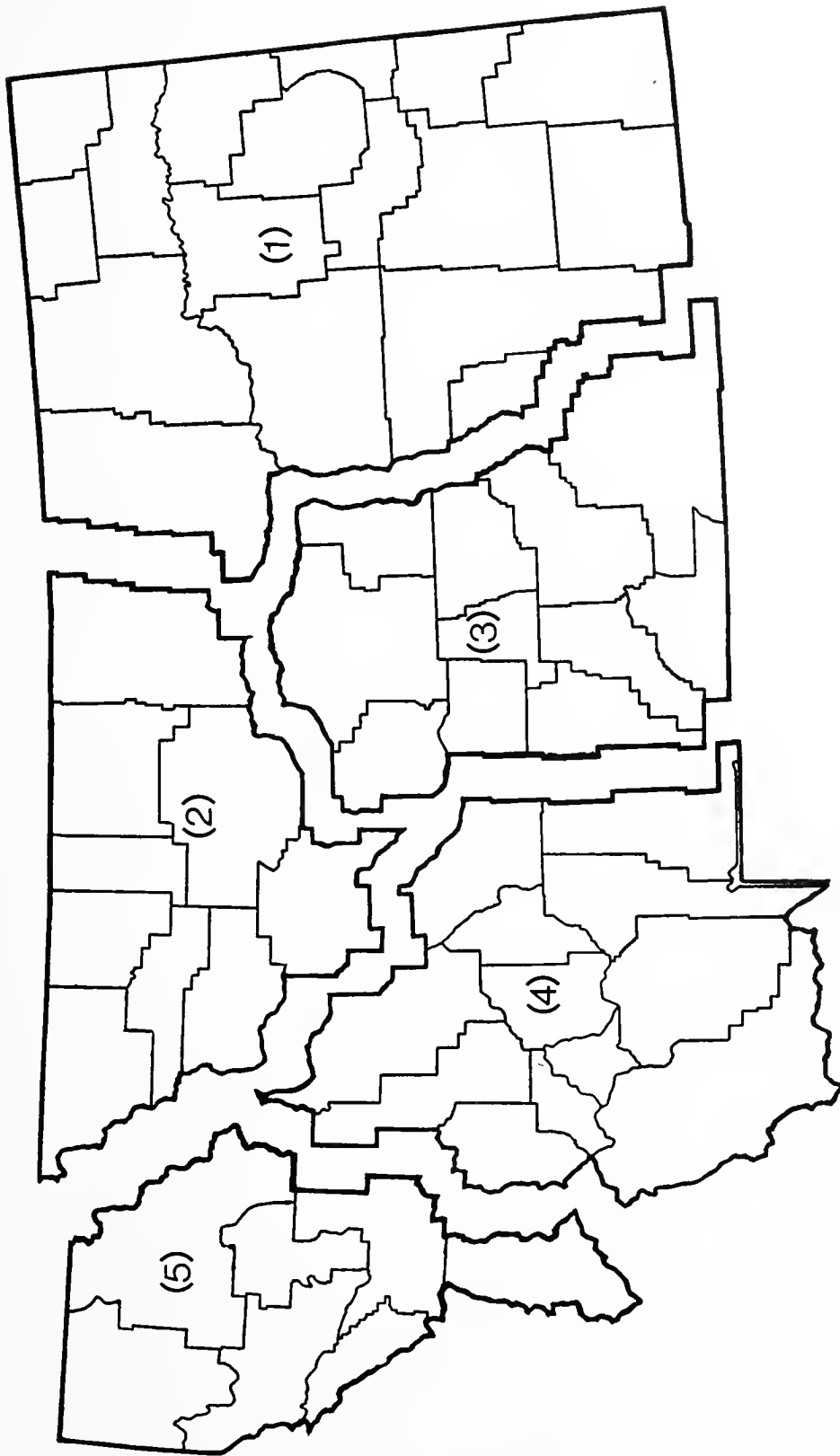
JAN 18 1978

MONTANA STATE LIBRARY
930 E Lyndale Ave.
Helena, Montana 59601

Montana State Library



3 0864 1005 0118 1



- (1) EASTERN (2) NORTH CENTRAL
(3) SOUTH CENTRAL (4) SOUTHWESTERN
(5) NORTHWESTERN



Montana Health Systems Agency, Inc.

*324 Fuller Avenue
Helena, Montana 59601*

(406) 443-5965

**Ralph Gildroy
Executive Director**

The People of Montana:

On January 4, 1975 a new health law, Public Law 93-641, The National Health Planning and Resources Development Act of 1974, was signed. This law meant the replacement of Comprehensive Health Planning, the Regional Medical Programs and the Hill Burton Programs. Since its signing there has followed many months of uncertainty for anyone interested in health care.

For Montana the new law meant the designations of a health systems agency, the health service area and the initiation of a number of actions to precipitate some judgements that are required during the first year of conditional designation by the Department of Health, Education and Welfare.

The following report is for the purpose of acquainting the people of Montana with the progress that has been made by the Montana Health Systems from August 23, 1976 to August 22, 1977, the first year.

Whereas both the Montana Health Systems and Governor Thomas Judge are intent upon assurance that citizens and local organizations have access to decisions made in health planning, every effort has been and is being made to interest and involve you. Considerable progress is being demonstrated. With your fostering, that progress will continue to build.



THE ACT

P.L. 93-641

Included in the Act are the following:

NATIONAL HEALTH PRIORITIES

Section 1502. Priority Consideration For Goals and Programs:

1. Primary Care Services for Medically Underserved Populations (Rural or Economically Depressed).
2. Multi-Institutional Systems for Coordination or Consolidation of Institutional Health Services.
3. Medical Group Practices, Health Maintenance Organizations, and other Organized Systems for Provision of Health Care.
4. Training and Increased Utilization of Physician Assistants, Especially Nurse Clinicians.
5. Multi-Institutional Arrangements for Sharing of Support Services Necessary to all Health Service Institutions.
6. Achieve Needed Improvements in Quality of Health Services.
7. Provide Various Levels of Care on a Geographical Integrated Basis.
8. Prevention of Disease, Including Studies of Nutritional and Environmental Factors Affecting Health and the Provision of Preventive Health Care Services.
9. Adoption of Uniform Cost Accounting, Simplified Reimbursement, and Utilization Reporting Systems and Improved Management Procedures for Health Service Institutions.
10. Effective Methods of Educating the Public Concerning Proper Personal (Including Preventive) Health Care and Methods for Effective use of Available Health Services.

PURPOSES OF MONTANA HEALTH SYSTEMS AGENCY

1. Improve Health of Residents of Montana.
2. Increase Availability, Accessibility, Acceptability, Continuity and Quality of Health Services.
3. Restrain Increases in the Cost of Providing Health Services.
4. Prevent Unnecessary Duplication of Health Resources.

The Health Systems Agency has as its primary Responsibility the Provision of Effective Health Planning for Montana and the Promotion of the Development within the Area of Health Services, Manpower, and Facilities which meet Identified Needs, Reduce Documented Inefficiencies, and Implement the Health Plans of the Agency.



FUNCTIONS OF MONTANA HEALTH SYSTEMS AGENCY

1. Assemble and analyze data concerning -
 - Status and its determinants of health of residents of Montana
 - Status of health care delivery system and use of that system by Montana residents.
 - Effect the area's health care delivery system has on health of Montana residents.
 - Number, type, and location of Montana's health resources (services, manpower, facilities)
 - Patterns of utilization of Montana's health resources, environmental and occupational exposure factors affecting immediate and long-term health conditions.
2. Establish, annually review, and amend as necessary a health systems plan (HSP) for Montana.
3. Establish, annually review and amend as necessary an annual implementation plan (AIP) which describes objectives which will achieve goals of the HSP and priorities among the objectives.
4. Develop and publish specific plans and projects for achieving objectives established in the AIP.



REVIEWS BY MONTANA HEALTH SYSTEMS AGENCY

1. Approve or disapprove each proposed use within Montana of Federal funds appropriated under P.L. 93-641, the Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 for grants, contracts, loans or loan guarantees for the development, expansion or support of health resources; or made available by Montana from an allotment to the State under the above for grants or contracts for the development, expansion or support of health resources.
2. Review and make recommendations to State Health Planning and Development Agency respecting need for institutional health services proposed to be offered or developed in Montana.
3. Review at least every five years all institutional health services offered in Montana and recommend to State Health Planning and Development Agency respecting the appropriateness in Montana of such services, the initial review taken by 8/22/79.
4. Annually recommend to State Health Planning and Development Agency projects for the modernization, construction, and conversion of medical facilities in Montana which projects will achieve the Health Systems Plan and Annual Implementation Plan of the Montana Health Systems Agency and indicate priorities among such projects.

PERFORMANCES OF MONTANA HEALTH SYSTEMS AGENCY

1. Implement Health Systems Plan and Annual Implementation Plan with assistance of individuals and public and private entities in Montana.
2. Provide Technical assistance to individuals and public and private entities for development of projects and programs which agency determines are necessary to achieve health systems in HSP.
3. Make grants to and enter into contracts with public and nonprofit private entities to assist in planning and developing projects and programs which agency determines are necessary for achievement of the health systems described in HSP.



COORDINATION OF MONTANA HEALTH SYSTEMS AGENCY

with —

1. Montana Professional Standards Review Organization,
2. Montana Governor's Office of Budget and Program Planning (A-95),
3. Montana Hospitals Rate Review System,
4. Montana Department of Social and Rehabilitation Services, Division of Economic Assistance and Bureau of Medical Assistance,
5. Montana Health Planning and Development Agency

The Montana Health Systems Agency shall, as appropriate, secure data from them for use in the agency's planning and development activities, enter into agreements with them which will insure that actions taken by such entities which alter the area's health system will be taken in a manner which is consistent with the Health Systems Plan and Annual Implementation Plan in effect for Montana, and, to the extent practicable, provide technical assistance to such entities.



MONTANA HEALTH SYSTEMS AGENCY

SUMMARY PROFILE

324 Fuller Avenue
Helena, Montana 59601

Phone
406/443-5965

ORGANIZATION TYPE - Private, Non-Profit Corporation

CONDITIONAL DESIGNATION — 8/23/76

TOTAL OPERATING BUDGET \$339,483

EXECUTIVE DIRECTOR — Ralph Gildroy BOARD CHAIRMAN — Bryce Hughett

Governing Body Size 42

Executive Committee Size 18

NUMBER OF SUBAREA ADVISORY COUNCILS - 5

Staff Size Professional 7
Support 2¼

TOTAL POPULATION — 748,000

METROPOLITAN — 24%

NON-METROPOLITAN 76%

LAND AREA - 147,138 square miles

SEX DISTRIBUTION

Female 50%

Male 50%

AGE DISTRIBUTION

Under 18 - 36.5%

18-34 - 22.5%

35-44 - 10.8%

45-64 - 20.3%

65+ - 9.9%

INCOME DISTRIBUTION

Under \$10,000 - 61.5%

\$10,000 - 14,999 - 24.8%

\$15,000 - 24,999 - 10.7%

\$25,000+ - 3.0%

RACIAL -- Ethnic Distribution

American Indian - 3.9% Asian/Pacific Is. 0.1%

Black/Negro - 0.3% Caucasian/white - 95.5% Other - 0.2%

LINGUISTIC DISTRIBUTION

English - 84.1% Spanish - 0.5% Other - 15.4% (German 4.8%)

MEDIAN SCHOOL YEARS COMPLETED (25 yrs. and older)

12 years or less - 74.9%

16 years or more - 11.0%

13 - 16 years - 14.1%

Montana Health Systems Agency (MHSA)

A CHRONOLOG



4 June 1975	Articles of Incorporation - Montana Health Systems Agency
12 December 1975	MHSA Organizational Meeting (Ralph Gildroy, Chairman)
9 January 1976	Public Hearing - MHSA Organization
10 January 1976	MHSA By-Laws Development - Executive Director Selection Committee Appointed.
27 February 1976	MHSA Grant Application Presented to Governing Board..
12 March 1976	Public Hearing - Application for Conditional Designation
26 March 1976	Governing Board Meeting - Strong Cooperative Role Between MHSA and State Agency. Montana is One Health Service Area. Executive Committee and Statewide Health Coordinating Council to be One and the Same.
28 May 1976	Governing Board Meeting - Additional Work on By-Laws, Format for Subarea Advisory Councils, and Director Selection Committee.
30 July 1976	Governing Board Meeting - Status of Conditional Designation - Ralph Gildroy named Executive Director, Phil Auble, Acting Chairman
23 August 1976	MHSA Designated Conditionally
5 November 1976	Governing Board Meeting; Approval of Planning Methodology, Subarea Advisory Policy and Personnel Policy
9 December 1976	Southwestern Subarea Advisory Council - Organization
10 December 1976	Partial Staffing Accomplished. Work commenced on Health Systems Plan and Project Review Manual
14 December 1976	Eastern Subarea Advisory Council - Organization
15 December 1976	South Central Subarea Advisory Council - Organization
14 January 1977	Governing Board - Election of Officers and Executive Committee Bryce Hughett, Chairman Kathleen Ramey, Vice Chairman Elmer Richey, Secretary-Treasurer Forty-One of Forty-Two Board Members in Place
2 February 1977	Northwestern Subarea Advisory Council - Organization
23 February 1977	North Central Subarea Advisory Council - Organization
12 April 1977	Public Hearing - Program Review Manual
22 April 1977	Governing Board - By-Laws Amendments
27 May 1977	Pertinent to Meetings and Subarea Advisory Councils, Public Hearing - Health Systems Plan
29 July 1977	Governing Board - Adopted First Seven Components of Health Systems Plan and the Program Review Manual



THE GOVERNING BOARD

(51-60% Consumers)

Members 42

Consumer Makeup -

Three from each of five Subareas	15
Native Americans	
Billings Area Indian Health Board	1
Montana United Indian Association	1
Montana Low-Income Association	1
Montana Senior Citizens Association	1
Montana Association of Counties	1
Montana League of Cities and Town	1
Governor's Representative	1
	<u>22</u>

Provider Makeup -

Physicians (one from each Subarea)	5
Hospital Administrators	3
Montana Nurses Association	1
Montana League of Nursing	1
Montana Nursing Home Association	1
Montana Dental Association	1
Montana Physicians Service	
Blue Cross of Montana (rotating)	1
Veteran's Administration	1
Health Professional Schools	1
Pharmacy	1
Optometry	1
Chiropractic	1
Mental Health	1
Allied Health - At Large	1
	<u>20</u>

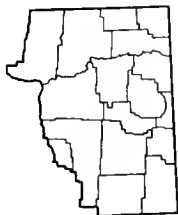


GOVERNING BOARD

Montana Health Systems Agency, Incorporated

	Last Year of Term		Last Year of Term
Allen, John 1140 Vallejo (At Governor's Pleasure) Helena, Montana 59601 Governor's Representative, Area 4	1979	Fulkerson, John E. Jr. P.O. Box 233 Sidney, Montana 59270 Eastern Montana, Area 1, Consumer	1979
Amundson, Ray 1827 Beech Drive Great Falls, Montana 59401 North Central Montana, Area 2, Consumer	1979	Galinkin, George B. 703 South 11th Bozeman, Montana 59715 Southwestern Montana, Area 4, Consumer	1977
Archambault, Donovan Billings Area Indian Health Board 2727 Central Avenue Billings, Montana 59101 Native American, Area 3, Consumer	1979	Halseth, John 1905 Cherry Drive Great Falls, Montana 59404 Physician, Area 2, Provider	1978
Auble, Phil Administrator, Glendive Community Hospital and Nursing Home Prospect and Ames Glendive, Montana 59330 Hospital Administrator, Area 1, Provider	1978	Heggen, Gloria P.O. Box 457 Ekalaka, Montana 59324 Eastern Montana, Area 1, Consumer	1977
Bunger, John Veterans Administration Center Fort Harrison, Montana 59636 V.A. Representative, Area 4, Provider	at Director's Pleasure	Hellstern, Andrew P.O. Box. 368 Hinsdale, Montana 59241 Low Income, Area 1, Consumer	1978
Clark, George Administrator, Kalispell Regional Hospital 310 Sunny View Lane Kalispell, Montana 59901 Hospital Administrator, Area 5, Provider	1979	Hughett, Bryce, Chairman of the Board , Mental Health Center 1245 North 29th Billings, Montana 59101 Mental Health Center, Area 3, Provider	1979
Danielson, Donald J. P.O. Box 2547 Billings, Montana 59101 Hospital Administrator, Area 3, Provider	1977	Kautz, Al. S. 1212 Grand Avenue Billings, Montana 59101 Optometrist, Area 3, Provider	1979
Diezger, Sharon 3604 5th Avenue South Great Falls, Montana 59401 Registered Nurse, Area 2, Provider	1978	Klingler, Alfred P.O. Box 488 Shelby, Montana 59474 Northcentral Montana, Area 5, Consumer	1977
Dodd, Jack Whitefish, Montana 59937 Northwestern Montana, Area 5, Consumer	1979	Lowe, Lawson (Resigned July 29, 1977) P.O. Box 2579 Missoula, Montana 59801 Northwestern Montana, Area 5, Consumer	1977
Dols, Gary 1120 Broadwater Avenue Billings, Montana 59101 Chiropractor, Area 3, Provider	1979	Manley, John 2208 Meadowood Billings, Montana 59101 Southcentral Montana, Area 3, Consumer	1979
Donovan, Michael Blue Shield of Montana 404 Fuller Avenue Helena, Montana 59601 Health Insurance Rep., Area 4, Provider	1977	McCarthy, Pat 501 West Broadway Missoula, Montana, 59801 Physician, Area 5, Provider	1978
Drummond, Margaret 515 North 10th Bozeman, Montana 59715 Southwestern Montana Area 4, Consumer	1979	McMahon, John 2025 11th. Avenue Helena, Montana 59601 Physician, Area 4, Provider	1977
Eklund, Margaret Ryegate, Montana 50974 Senior Citizen, Area 3, Consumer	1978	Morris, H.F. 1112 West 3rd Anaconda, Montana 59711 Southwestern Montana, Area 4, Consumer	1978
Fisher, Charles Montana United Indian Association P.O. Box 26 Babb, Montana 59411 Native American, Area 2, Consumer	1978	Morse, Edward Denton, Montana 59430 Southcentral Montana, Area 3, Consumer	1978
		Newman, Frank S. 515 South 8th Bozeman, Montana 59715 Professional School, Area 4, Provider	1977

	Last Year of Term		Last Year of Term
Plummer, Fred A. Community Nursing Home 2823 Fort Missoula Road Missoula, Montana 59801 Nursing Home Administrator, Area 5, Provider	1977	Schilling, Barbara P.O. Box 26 McLeod, Montana 59052 Southcentral Montana, Area 3, Consumer	Secretary-Treasurer of the Board 1977 (As of July 29, 1977)
Radley, Penrose 907 Helena Avenue Helena, Montana 59601 Dentist, Area 4, Provider	1978	Schrader, Herman 1220 Central Avenue Great Falls, Montana 59401 Pharmacist, Area 2, Provider	1979
Ramey, Kathleen, Vice-Chairman of the Board 1511½ Railroad Avenue Helena, Montana 59601 Elected Official, Area 4, Consumer	1977	St. Jermain, John Cascade County Commissioner Great Falls, Montana 59401 Elected Official, Area 2, Consumer	1978
Rehbein, Mary Alice Richland County Public Health P.O. Box 868 Sidney, Montana 59270 Allied Health, Area 1, Provider	1977	Tousley, V.C. Scobey, Montana 59263 Eastern Montana, Area 1, Consumer	1978
Richards, Anita P.O. Box 321 Seeley Lake, Montana 59868 Northwestern Montana, Area 5, Consumer	1978	Walker, Laura 1301 S. Willson Bozeman, Montana 59715 Registered Nurse, Area 4, Provider	1977
Richey, Elmer Secretary-Treasurer of the Board 3037 Delmar Great Falls, Montana 59404 (Resigned July 29, 1977) Northcentral Montana, Area 2, Consumer	1978	Whittinghill, John P.O. Box 2000 Billings, Montana 59103 Physician, Area 3, Provider	1977
		Winter, Malcolm D. 1817 Bridge Miles City, Montana 59301 Physician, Area 1, Provider	1979



THE GOVERNING BOARD

By Subarea

Consumers

John Fulkerson, Jr.
Gloria Heggen
Andrew G. Hellstern
V.C. Clark Tousley

Sidney
Ekalaka
Montana Low Income Association
Scobey

Providers

Phillip M. Auble
Mary Alice Rehbein
Malcolm D. Winter

Montana Hospital Association
Montana Allied Health Professions
Montana Medical Association

The Subarea Advisory Council

Consumers

Robert Bell, DVM
515 Broadway, Culbertson
787-6682

Morris Billehus
207 B st., Scobey
487-2869

Gloria Heggen
Box 457, Ekalaka
775-3702

Minnaclore Hoff
601 S. 2nd W., Baker
778-2164

Jim Hoffman
310 Dilworth, Glendive
365-3396

Providers

Frank Caldwell
V.A. Hospital, Miles City
232-3060

John Geach
304 Little, Glendive
365-3070

Dr. David Hide
640 7th Ave. N., Glasgow
228-2605

Ron Hjelmstad
Seridan Co. Courthouse, Plentywood
765-2361

Kyle Hopstad
Frances Mahon Deaconess Hospital
Box 928, Glasgow
228-4351

Consumers

Floyd Irion
310 S. Lincoln, Broadus
436-2657

Shari Marks
Box 56, Hysham
342-5457

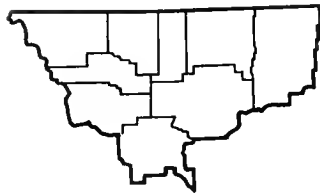
Eldon Rice
Old Hospital Bldg., Forsyth
356-7551

Doline Schlepp
Vida
525-3768

Ruth Stanton
Jordan
557-2714

Vi Irion
Box 246, Fallon
486-5765

Debbie Houck
Box 142, Wibaux
795-2621



Providers

Colleen Kohn
Custer Co. Health Dept., Miles City
232-4786

Dr. Charles Parke
Garberson Clinic, Miles City
232-0790

Phil Schumacher
Richland Homes, Inc., Sidney
482-3703

Myrna Tooke
Ekalaka
775-4321

Dr. Carl Totman
428 S. 5th Ave. W., Malta
654-1002

THE GOVERNING BOARD

By Subarea

Consumers

Ray Amundson
Albert F. Klingler
Charles E. Fisher
Elmer Richey (Resigned 7/29)
John St.Jermain

Great Falls
Shelby
Montana United Indian Association
Great Falls
Montana Association of Counties

Providers

Sharon Dieziger
John R. Halseth
Herman Schrader

Montana Nurses' Association
Montana Medical Association
Montana Pharmaceutical Association

The Subarea Advisory Council

Consumers

Rev. James Engh
P.O. Box E, Choteau
466-2484 466-2291

Alfred Klingler
P.O. Box 488, Shelby
434-2252 434-2692

Merrill A. Kovatch
P.O. Box 177, Conrad
278-3866 278-5513

Robert Oakland
40 Prospect Drive, Great Falls
452-0975 761-4900

Mrs. Judith Peterson
P.O. Box 127, Chinook
357-3139 357-3350

Mrs. Minnie Poling
324 8th Ave. S., Great Falls
453-4630

David G. Rice
13 Lila Drive, Havre
265-7238 265-4364

Providers

Hugh V. Anderson, M.D.
2517 7th Ave. S., Great Falls
452-0558 452-9546

Larry J. Bonderud, OD
P.O. Box R, Shelby
434-2763

Ben P. Broderick
15th Ave. & 32 St., Great Falls
453-2701 761-4300

Ms. Pat Butka
2300 14th Ave. S. #29, Great Falls
452-0028 761-1200-313

Brit Messer
211 S. Delaware, Conrad
278-5756 278-3211

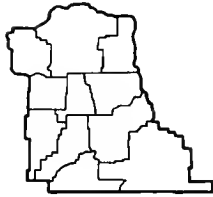
Patrick L. Ryan
1513 3rd W. Hill, Great Falls
(Resigned - Moved out of state)

Ms. Karen S. Sloan
216 9th St., Havre
265-6091 265-2211

Consumers

Mrs. Mary Ellen Robinson
Highwood
733-5161

Delmar Wolfe
P.O. Box 481, Chester
456-3213

**Providers**

William J. Taylor, PhD
2118 7th Ave. S., Great Falls
454-3522 761-2100

THE GOVERNING BOARD

By Subarea

Consumers

Margaret Eklund
John Manley
Edward Morse
Barbara Schilling
Donovan Archambault

Montana Senior Citizens
Billings
Denton
McLeod
Billings Area Indian Health Board

Providers

Donald J. Danielson
Gary Dols
Bryce Hughett
Allen Kautz
John Whittinghill

Montana Hospital Association
Montana Chiropractic Association
Montana Council of Mental Health
Montana Optometric Association
Montana Medical Association

The Subarea Advisory Council**Consumers**

Margaret Eklund
Ryegate
568-2510

S.L. Bus Lahren
Box 302, Roundup
323-2547

Lillian Larwood
Box 124B, Columbus
322-5968

John Manley
2208 Meadowood, Billings
252-7146

Betty Mitchell
1902 St. Johns, Billings
656-6179

Edward Morse
Denton
567-2304

Jackie Redding
Big Horn
342-5481

Hugh Reynolds
Harlowtown
632-4648

Barbara Schilling
Box 26, McLeod
932-2805

Betty Stockert
202½ Main, Roundup
323-1320

Providers

Robert B. Bowman
RR#1, Box 29A, Lewistown
538-8816

Daniel Dernbach, MD
Park Electric Bldg., Lewistown
538-3491

James Hamma, DMD
1711 13st. W., Billings
245-3111

Bea Kaasch
Rt. 1, Huntley
348-2366

David E. Klein, MD
1231 N. 29th St., Billings
245-6378

Mark Robinson, Adm.
Stillwater Convalescent Center
350 W. Pike Avenue, Columbus
322-5342

Sister Michel, Adm.
St. Vicents Hospital
2915 12th Ave, N., Billings
252-2121

Janice Trembl
620 Alderson Ave. Billings
252-5181



THE GOVERNING BOARD

By Subarea

Consumers

John Allen
Margaret Drummond
George B. Galinkin
H.F. Morris
Kathleen Ramey

Governor's Representative
Bozeman
Bozeman
Anaconda
Montana League of Cities & Towns

Providers

John Bunger
Michael Donovan
John McMahon
Frank Newman
Penrose Radley
Laura Walker

Veterans Administration
Montana Physician's Service
Montana Medical Association
WAMI Medical Program
Montana Dental Association
Montana League of Nurses

The Subarea Advisory Council

Consumers

John Allen
1140 Vallejo, Helena
449-3420

John W. Bauer
Box 925, Bozeman
994-4201

Margaret Drummond
515 N. 10th, Bozeman
586-9165

Ms. Gerry Holstead
Box 608, Anaconda
563-3110

Barbara Knoeski
Box 772, Boulder
225-3316

Dolly Page
Philipsburg
859-3516

Ken Spalding
c/o Park Co. Clerk & Recorder
Livingston
222-0450

Providers

E.L. Austin
704 W. Callender, Livingston
222-3541

John Bunger, Adm.
V.A. Hospital, Fort Harrison
442-6410

Nancy Campbell
23 S. Benton, Helena
442-3450

Darryl Evans
St. James Hospital, Butte
792-8361

Joanne Green
1101 Steel, Butte
723-5816

Janel Kovalchik, Executive Director
Montana Association of Home Health
530 N. Ewing, Helena
443-4140

Ron Ronchetto, Adm.
Crest Nursing Home
3131 Amherst, Butte
792-1223

Dr. Vern Tolstedt
2224 11th Ave., Helena
442-3550



THE GOVERNING BOARD

By Subarea

Consumers

Jack Dodd
Lawson Lowe
Anita Richards

Whitefish
Missoula (Resigned July 29)
Seeley Lake

Providers

George Clark
C.G. Pat McCarthy
Fred A. Plummer

Montana Hospital Association
Montana Medical Association
Montana Nursing Home Association

The Subarea Advisory Council

Consumers

Jack Dodd
P.O. Box 816, Whitefish
862-2819

Clyde Dowell
P.O. Box 435, Eureka
296-2775

Amy Felix
P.O. Box 211, Corvallis
961-3293

Jack Harwood
P.O. Box 837, Plains
826-3573

Evelyn Johnson
430 S. 5th St. W., Missoula
543-6737

Harry Northey
514 Daly Ave., Missoula
542-2227

Anita Richards
P.O. Box 231, Seeley Lake
677-2496

Kay Strombo
Rt. 1, Box 28, Superior
822-4626

James J. Thompson
624 Sylvan Ct., Kalispell
755-5756 756-7125

Robert Toole
Rt. 1, Box 27-1, Polson
883-4432

Providers

Dick Atkins
Rt. 2, Box 2355, Hamilton
961-3637

Earl Coriell, MD
Grandview Clinic, Polson
883-5655

Douglas Duckworth
P.O. Box 1232, Columbia Falls
892-5985 755-5300-249

Mary McCall
621 River St., Missoula
549-9748 728-4510

Thomas Metzger
Kalispell Regional Hospital, Kalispell
755-4698 755-5111

Carryl Meyer
2532 Highwood Dr., Missoula
543-8800 542-2191

Donald Murray, MD
515 Kensington Ave., Missoula
728-3111 549-5223

Ron F. Plummer
4013 Lincoln Ave., Missoula
543-5549 549-6134

THE EXECUTIVE COMMITTEE

(Statewide Health Coordinating Council)

John Allen
Governor's Representative
1140 Vallejo
Helena, Montana 59601
Governor's Representative, Consumer, Area 4

Phil Auble, Administrator
Glendive Community Hospital and Nursing Home
Glendive, Montana 59330
Hospital Administrator, Provider Area 1

John Bunker
Veterans Administration Center
Fort Harrison, Montana 59636
VA Representative, Provider, Area 4

Sharon Diezger
3604 5th Avenue South
Great Falls, Montana 59401
Registered Nurse, Provider, Area 2

Charles Fisher
Montana United Indian Association
P.O. Box 26
Babb, Montana 59411
Native American, Consumer, Area 2

George B. Galinkin
703 South 11th Avenue
Bozeman, Montana 59715
Southwestern Montana, Consumer, Area 4

John Halseth
1905 Cherry Drive
Great Falls, Montana 59404
Physician, Provider, Area 2

Gloria Heggen
P.O. Box 457
Ekalaka, Montana 59324
Eastern Montana, Consumer, Area 1

Bryce Hughett, M.D., **Chairman of the Governing Board**
Mental Health Center
1245 N. 29th
Billings, Montana 59101

Alfred Klingler
P.O. Box 488
Shelby, Montana 59474
Northcentral Montana, Consumer, Area 5

Pat McCarthy, M.D.
501 West Broadway
Missoula, Montana 59801
Physician, Provider, Area 5

Edward Morse
Denton, Montana 59430
Southcentral Montana, Consumer, Area 3

Frank S. Newman, Ph.D.
515 South 8th
Bozeman, Montana 59715
Prof. School, Provider, Area 4

Fred A. Plummer
Community Nursing Home
2823 Fort Missoula Road
Missoula, Montana 59801
Nursing Home Administrator, Provider, Area 5

Kathleen Ramey, **Vice-Chairman of the Governing Board**
City Commission
1511½ Railroad
Helena, Montana 59601
Elected Official, Consumer, Area 4

Anita Richards
P.O. Box 321
Seeley Lake, Montana 59868
Northwestern Montana, Consumer, Area 5

Elmer Richey, **Secretary-Treasurer of the Governing Board**
3037 Delmar
Great Falls, Montana 59404 (Resigned July 29, 1977)
Northcentral Montana, Consumer, Area 2

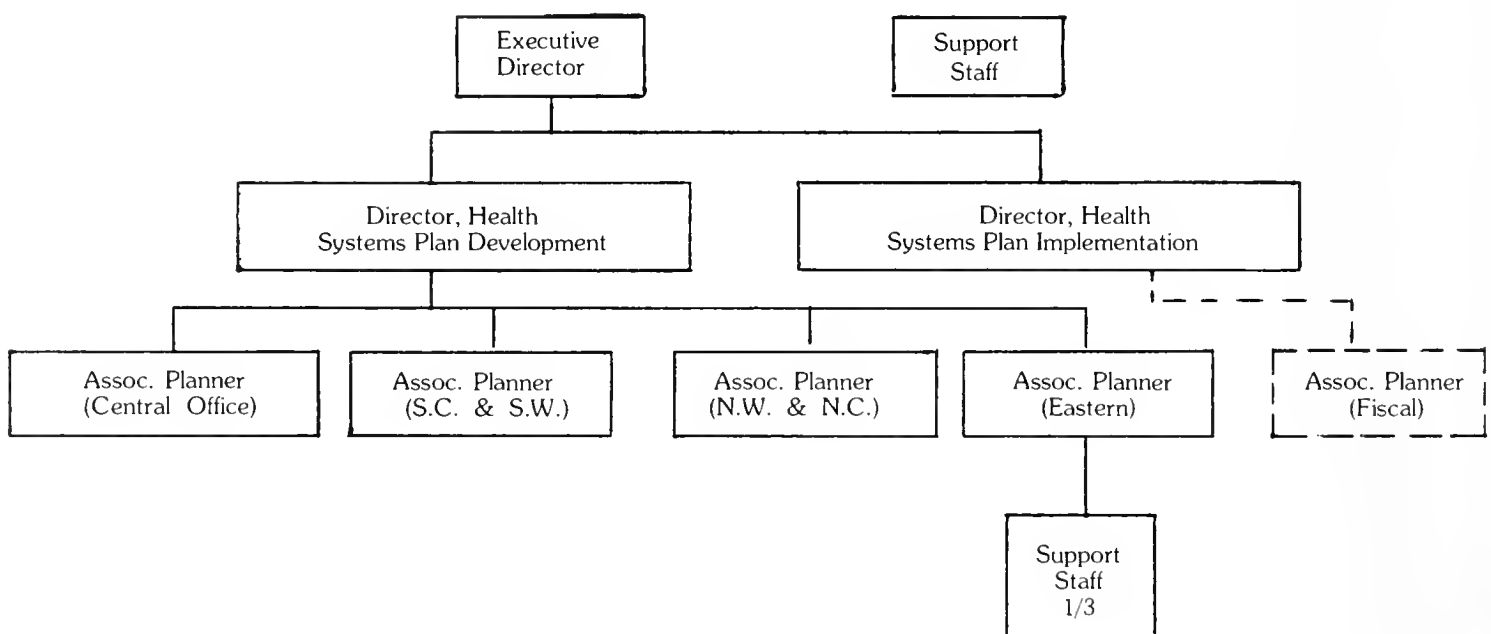
Barbara Schilling **Secretary-Treasurer of the Board**
P.O. Box 26 (as of July 29, 1977)
McLeod, Montana 59052
Southcentral Montana, Consumer, Area 3

THE STAFF

The Executive Director —
Ralph Gildroy
Health Plan Development
Robert Liffing
Planning Assistant
Greg Davis
Health Plan Implementation
Bert Glueckert
Associate Planners
Vearle Addy
Jan Dwyer
John Shontz

The Montana Health Systems Agency office in Helena and Field Office in Sidney were fully staffed, full time as of January 3, 1977.

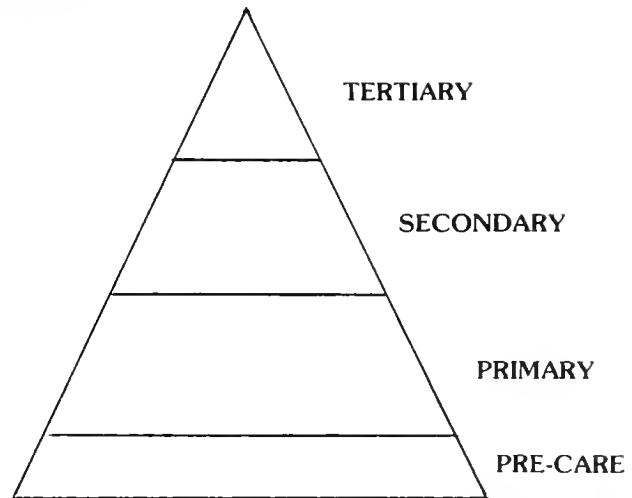
Staff Organizational Chart





HEALTH SYSTEMS PLAN/STATE HEALTH PLAN FOR MONTANA

The Health Systems Plan (HSP)
State Health Plan (SHP)
is the so called "pyramid"
model, which was approved
by the MHSA Governing
Board at its November
1976 Meeting



TERTIARY SERVICES are defined as the most sophisticated level of health care. It includes medical, diagnostic and therapeutic services for unusual or highly specialized cases, such as brain surgery and open-heart surgery.

SECONDARY SERVICES are usually provided in general (community) hospitals and include diagnostic and treatment services for a wide range of medical and surgical factors. Extended Care facilities and skilled nursing homes are also secondary.

PRIMARY SERVICES are required by most people needing health care. It includes inoculations, periodic examinations and services for minor injuries and common illnesses such as colds and upset stomachs. Such services are delivered in physician's offices, health centers, and clinics.

PRE-CARE SERVICES are measures taken to improve the environment in order to preserve healthful conditions as well as measures taken by individuals to improve and maintain their own level of well-being (stress control, weight control, exercise, nutrition, and personal safety action).

The Health Systems Plan/State Health Plan is being developed incrementally with as much public input as possible. The development began with the tertiary services. Those services completed to date are as follows:

Tertiary Services

1. High Risk Neonatal Care
2. Cardiac Laboratory Services & Open Heart Surgery
3. Burn Care
4. Oncology/Radiation Therapy
5. End-Stage Renal Disease
6. CT Scanners
7. Blood Banking & Processing
8. Poison Control

At the completion of the first year of conditional designation, August 22, 1977, the first seven of the above tertiary components have gone through full review and hearing cycle and have been approved by the Governing Board as part of the Health Systems Plan. The eighth component, Poison Control, will be considered with secondary components during the November 18 meeting of the Governing Board.

Secondary Services

1. General Acute Hospital Inpatient Services
2. Critical Care (ICU & CCU) Beds
3. General Hospital Psychiatric Beds
4. Laboratory Services
5. Diagnostic Imaging
6. Long Term Care Services
7. Home Health Services
8. Mental Health Services
9. Alcohol Abuse
10. Drug Abuse
11. Emergency Medical Services

Of the first seven secondary components, all are currently being reviewed. The first two have been discussed at subarea hearings and are currently being revised; the next four will be presented to the subarea advisory councils in September; and the last two will be reviewed in October meetings. All will be presented, in revised form, to the HSA Governing Board in October.

Initial drafts of the last four secondary service components (Mental Health, Alcohol & Drug Abuse and Emergency Medical Services) are currently being prepared by the staff. They will be submitted to the subarea councils for review and comments in November and December.

Primary Services

1. Hospital Outpatient Departments
2. Medical
3. Dental Services
4. Public Health Services

None of the primary care components have been addressed as yet. The first will be prepared so that it can be addressed in later meetings of the subarea advisory councils.

Precare Services

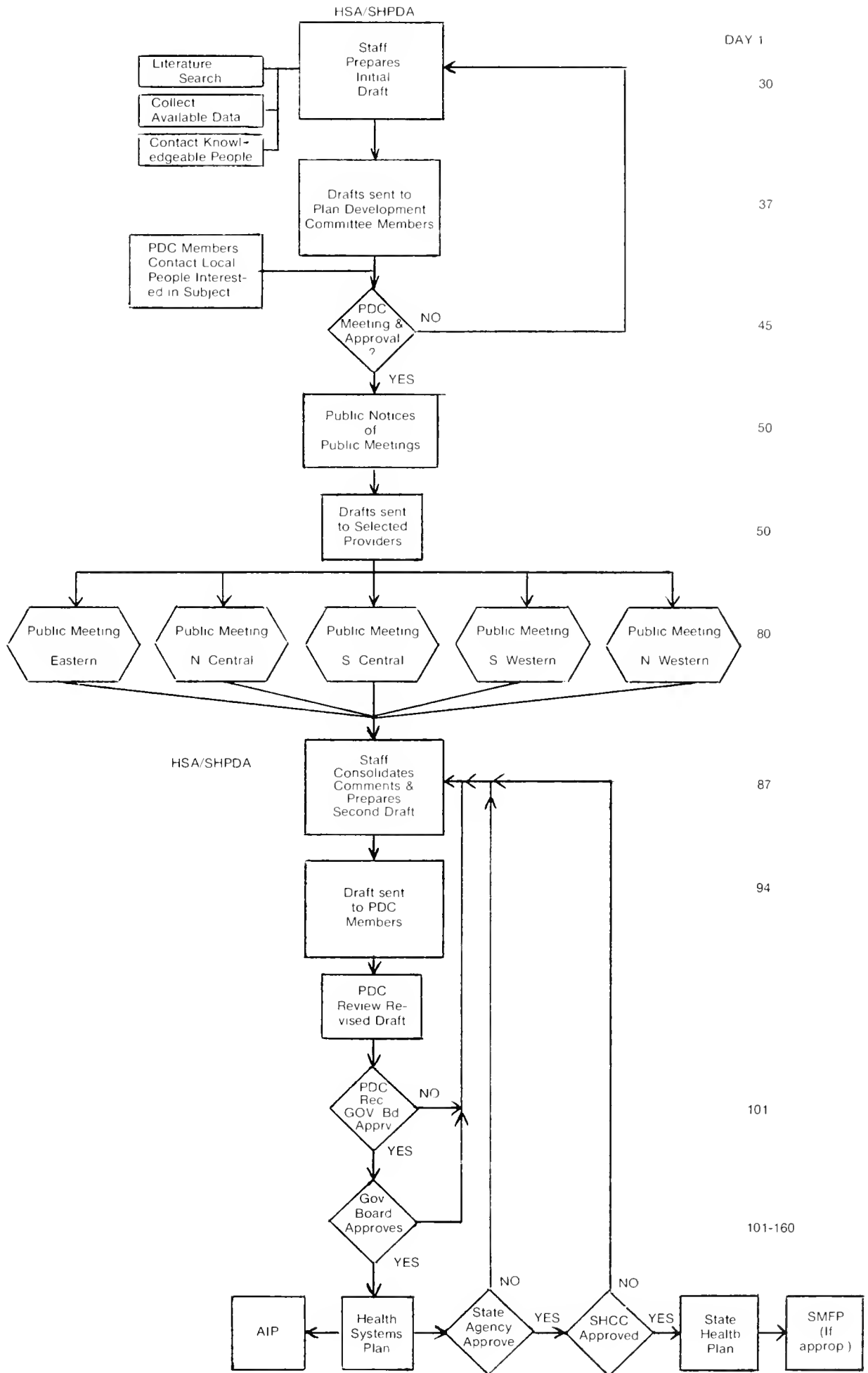
1. Health Education/Promotion
2. Environmental Health
3. Screening and Prevention
4. Occupational Safety and Health

At this time, none of the pre-care services have been addressed by the staff. Again, the first components in this area will be presented in subsequent subarea advisory council meetings.

The staffs of the Health Systems Agency and the State Agency, working with providers of a particular service, prepare initial drafts on each service or program. Once a set of three or four drafts has been written and printed, public hearings are held in each of the State's subareas to discuss the plan component and to obtain public input. These meetings take place approximately 45 days after the first drafts have been sent to members of the subarea committees and to people with a special interest in a particular plan subject. After these meetings, the statewide HSA Plan Development Committee reviews the comments from the subareas, considers additional public input and recommends changes in the draft. The staffs then revise the drafts, submit them to the HSA Plan Development Committee for submission for approval or disapproval to the HSA Governing Board. If the Governing Board disapproves a plan component, it is returned to the staff for revisions. A component approved by the Governing Board officially becomes part of the Health Systems Plan. The Statewide Health Coordinating Council then must approve the component for adoption into the State Health Plan. The overall strategy is to first address those services subject to review. Each component of the HSP will be reviewed and revised annually. At a minimum, the utilization statistics and description of the current situation (Section 4) will be updated. If the situation warrants, the guidelines, criteria, and standards (Section 3.0), the estimated service requirements (Section 5.0) and the goals, objectives and recommendations (Section 6.0) will be changed. When such changes are undertaken, that component will be subjected to the process described above.

If the present schedule is maintained, there should be sufficient material reviewed and approved by the Governing Board to enable preparation of a final draft of the Health Systems Plan commencing in January, 1978.

Where pertinent, representatives of the medical profession, nursing groups, health insurers, hospital and nursing home administrators will be asked to advise HSA staff on component development prior to the actual writing of initial drafts.



Proposed Table of Contents

Montana Health Systems Plan

Executive Summary

Introduction

- A. Purpose and Use of the Plan
- B. Scope and Limitations
- C. Methodology

Health Plan Goals and Policies

- A. Health Status
- B. Health System
 - 1. Service Settings
 - 2. Characteristics

Health System Overview

- A. Health System
- B. Services
- C. Programs
- D. Other Factors

The Health Service System

A. Special/Regional Services

- 1. High Risk Neonatal Care +
- 2. Cardiac Laboratory Services and Open Heart Surgery +
- 3. Burn Care +
- 4. Oncology/Radiation Therapy +
- 5. End-Stage Renal Disease +
- 6. CT Scanners +
- 7. Poison Control ×
- 8. Blood Banking and Processing +

B. Secondary/Intermediate Services

- 1. General Acute Hospital Inpatient Services×
 - 1.1 Psychiatric×
 - 1.2 ICU & CCU ×
- 2. Long Term Care Services ×
- 3. Home Health Services ×
- 4. **Diagnostic Care**
 - 4.1 Laboratory ×
 - 4.2 Diagnostic Imaging ×
- 5. **Habilitation/Rehabilitation Services**
- 6. **Ambulatory and Outpatient Services**
- 7. **Emergency Medical Services**
 - 7.1 Mobile
 - 7.2 Hospital-based
- 8. **Mental Health Services**
- 9. **Substance Abuse Services**
 - 9.1 Alcohol Abuse
 - 9.2 Drug Abuse
- 10. **Medical Specialty Services**

C. Primary/Local Services

- 1. **Medical Care Services**
- 2. **Public Health Services**
- 3. **Dental Care Services**

D. Pre-Medical/Promotional Services

- 1. Health Education
- 2. Environmental Quality Management
- 3. Occupational Safety and Health
- 4. Social Services

Other System Components

- A. Manpower
- B. Financing
- C. Educational (Professional)
- D. Quality
- E. System Monitoring/Education

- 1. Health System Monitoring
- 2. Health Plan Monitoring

Background Information

- A. Authority
- B. Mission and Purpose
- C. Agency Responsibility

Description of Area

- A. Population Characteristics
- B. Geographic Characteristics
- C. Economic Characteristics
- D. Health Status Indicators

+ Component has been approved by the HSA Governing Board as part of the HSP.

× Component is written and is currently being circulated for review and revision.

PROJECTIONS

During the second year of conditional designation, August 23, 1977 - August 22, 1978, the HSA staff will concentrate initially on Montana's Goals and Objectives, and the primary and pre-care services components. Overall it takes between 120 and 150 days for a single component to go through the review process. Components are usually distributed in sets of three or four.

In an effort to minimize printing and mailing costs, summaries announcing the public meetings and containing the goals, objectives and recommendations of the services to be reviewed were sent to other selected people. During the first year approximately 200 complete drafts and 400 summaries were sent in each mailing.

Local public hearings are held about 45 days after the initial distribution of the drafts. At these public meetings, the subarea plan development committee screens and summarizes the public input. It has been suggested that its recommendations to the HSA Plan Development Committee emphasize only policy questions.

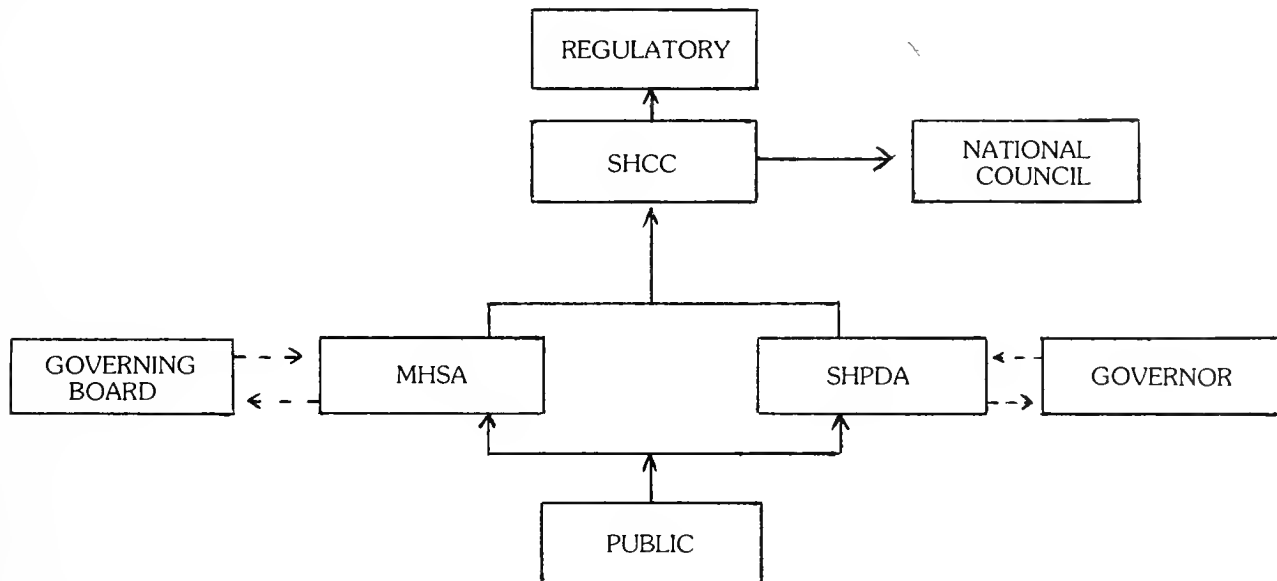
Adverting to Montana's Goals and Objectives, action oriented information has already been distributed to Subarea Advisory Council members to encourage local involvement in their development. The following hypothesis was disseminated as a stimulant:

ASSUMPTION - Next year \$200,000 will be available to your subarea for the best approaches to improving it health system. What programs in your area should the HSA fund with this money?

These funds **cannot** be used to pay the costs of delivery of health services or the cost of construction or modernization of medical facilities.

Some comments concerning the hypothesis have already been received in advance of subarea meeting scheduled for August 23, September 7 & 8, and September 14 and 15. It is hoped that some innovative ideas will be forthcoming. Goals and objectives will be further developed at subarea meetings late in October and considered by the MHSA Governing Board in November.

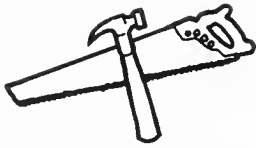
As the proposed Federal guidelines concerning goals and objectives, copies have been distributed to the 42 member Governing Board and Consulting Members and will be hand delivered to subarea councils in September. Recommendations concerning the guidelines are to be developed in accordance with the following:



In the spring of 1978 the staff will commence reexamination of previously approved components (tertiary and secondary services) to update and revise regulations. Emphasis will be on obtaining more up-to-date statistics, tightening guidelines and conducting special studies in specific problem areas.

Because the Emergency Medical Services and Mental Health Programs are mandated to develop their own plans, the HSA and SHPDA will assist them. Informal agreements have been arranged indicating that these programs will use the HSP format. Because of the magnitude of the task, specific staff members will be assigned to act as liaison with these agencies as their plans are developed.

The HSP, in loose-leaf binders, will be distributed to libraries throughout the state in December. In this way, future components can be placed in the document as they are approved and revised by the HSA Governing Board.



ANNUAL IMPLEMENTATION PLAN (AIP)

The Montana HSA will develop an AIP during the second year of Conditional Designation. The AIP will be based on the goals described in the HSP. Where the HSP represents a five-to-ten year master plan, the AIP specifies the objectives which should be addressed during the upcoming year. It will include the priority rankings assigned to each objective and will attempt to roughly define projects which may be designed to meet each of these objectives within the given time frame.

Montana HSA Governing Board, in consultation with the State Agency and Statewide Health Coordinating Council, will establish criteria for assigning priorities to AIP objectives. Factors which will be considered in the criteria include: (1) the number of residents affected, or potentially affected by health problems, (2) the degree to which resource commitment is potentially required. These criteria are an integral part of the HSP framework development and thus will be more precisely defined during the first months of Renewal Designation.

The Plan Development Committee of the Governing Board (with extensive expertise in state plan development activities) will meet the fall of 1977 to determine the priorities of the objectives of the AIP, specifically those areas which they feel are most important and should be addressed to maximize the effectiveness of the MHSA and health care in Montana.

An important step in the development of the AIP is to quantify the financial and manpower resources estimated to be required to implement and maintain each goal established in the HSP. This activity will be completed within one month of adoption of the HSP.

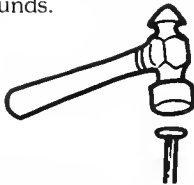
After the AIP has been drafted, it will be presented to the governing Body for recommendation and approval. Upon approval, copies will be distributed to public libraries in the State. Notices will also be placed in at least three area newspapers of general circulation. Copies will be provided to the Statewide Health Coordinating Council.

The present status of the criteria and methodology to be used in identifying and prioritizing projects for modernization, construction, and conversion of medical facilities by the MHSA is as follows:

The Montana Health Systems Agency, Incorporated, is presently utilizing the methodology developed by the SHPDA, Bureau of Health Resources. This process was formally referred to as the Hill Burton State Plan for Hospital and Medical Facilities. Within the State Plan and prior to the preparation of the plan the facilities were inventory ranked and given priorities based on selected criteria promulgated by the Department of Health, Education and Welfare.

The present strategy and criteria for providing technical assistance to various entities within the health is performed primarily, on an informal basis, as the requests come in from the individuals, subarea councils or other entities. The requests are addressed and serviced on a first come, first served basis. In the future, as the Health Systems Plan and the Annual Implementation Plan are developed and adopted, the Executive Director of the Montana Health Systems Agency will establish a system for handling the requests based on goals, objectives and priorities of the Health Systems Plan and Annual Implementation Plans. When requests exceed available resources, the Executive Director will develop a prioritization based procedure for handling the request. In responding to a request, the Montana Health Systems Agency, Inc., will analyze the proposal on the basis of resources available and committed and assign a staff member to the project. The procedures and criteria to be used in administering the Area Health Services Department Funds have not been developed. During its first year, the Montana HSA has treated its grant proposal and work plan as its AIP. The primary emphasis has been on HSP development and setting up the criteria for the various types of reviews to be conducted by this agency. The HSA will also consider its 1977-78 application as its AIP until the HSP is in place.

Annually the AIP will be written. Each project underwritten by Area Health Service Development Funds will be evaluated and compared with current problems. Proposals will be solicited for new projects and programs. The HSA Governing Board will have final approval over the content of the AIP, the establishment of priorities among competing projects and the allocation of AHSD Funds.



IMPLEMENTATION

The Health Systems Plan (HSP)

The Annual Implementation Plan (AIP)

Based upon the objectives determined by the Governing Board and stated in the AIP, the MHSA staff will solicit application from facilities and program groups in each of the five subareas. Initially, all persons, groups or institutions who might be capable of undertaking the various projects specified in the AIP will be contacted by mail. These letters will be followed by personal visits by the HSA staff and/or telephone calls to see if these people may be interested in any of these programs. Because hospitals in Montana are the center of local health care activities, we intend to work closely with their respective administration and board members. At the same time the possibility of funding from outside sources to supplement the Area Health Services Development Funds will be investigated.

At a meeting to be held in early 1978, the Plan Development Committee will select those projects which apply to the established objectives. Two months hence, the MHSA will prepare a methodology and process for the future allocation of Area Health Services Development Funds. The Governing Board will accept, reject or modify this process. When the MHSA becomes fully designated the Plan Committee will make recommendations (at this same meeting) as to how the Area Health Services Development Funds will be allocated. The Executive Committee of the Governing Board will approve or disapprove.

As specified in P.L. 93-644, all grants and contracts awarded from the Area Health Service Development Funds will be for a period of no more than one year. Awards will not be made to for-profit organizations and the funds will not be used to pay for either the delivery of services or the construction of medical facilities.

Rationale for Activities

In keeping with the established Board objectives and selected projects, the MHSA staff will:

- Visit the communities and facilities involved in each of the projects and aid in their understanding of the AIP and the action necessary for its full implementation.
- Aid the involved parties (facilities, agencies, programs) in acquiring funding (grant applications) other than Area Health Service Development Funds.
- Provide technical assistance in developing grant applications and feasibility studies.
- Hold public hearings in each of the five subarea to provide information and receive input on each of the projects pertinent to the area. Recommendations from each of the subareas directly affected by a project will be made by the Subarea Council. These recommendations will be investigated by the MHSA and communicated to the Plan Development Committee.



PLAN IMPLEMENTATION / REVIEW

During its first year of conditional designation the following applications were reviewed by the Montana Health Systems Agency (MHSA) with recommendations forwarded to the Department of Health and Environmental Sciences:

Section 1122 - Social Security Act, Montana Certificate of Need Law

Facility Location	Project Title	Cost
Community Hospital Anaconda	Purchase of a 68 LTC Facility	\$826,000
Missoula Community Hospital	Replacement of X-Ray Equipment	\$238,000
Columbus Hospital Great Falls	Purchase of a Linear Accelerator	\$510,000
Montana Deaconess Medical Center Great Falls	Construction of Special Procedures Room	\$416,406
Montana Deaconess Medical Center Great Falls	Purchase of Computer Billing Equipment	\$100,991
Billings Deaconess Hospital	Space Lab Monitoring Equipment	\$177,000
Kalispell Regional Hospital	Purchase of Ultrasound	\$72,000
St. James Hospital Butte	Remodeling of Existing Hospital	\$2,700,000
*Missoula General Hospital	100 Bed Nursing Home Home Facility	\$1,665,000
*Applicant withdrew the application due to proposal uncertainty.		
HMO - Miles City	Development Grant for the HMO for South Central & Eastern Montana by the S.E. Health Plan Foundation	\$828,722
North Valley Hospital & Nursing Home, Whitefish	Licensure change	Not applicable
Cut Bank Memorial Hospital	Increase Nursing Home Beds	\$8,000
Barrett Memorial Hospital, Dillon	Construction of a Physicians Building and Remodeling of Existing Facility	\$306,000
Community Nursing Home, Missoula	Addition of 78 LTC Beds	\$1,100,000
Cut Bank Memorial Hospital	Addition of 2 LTC Beds	\$3,100

Facility Location	Project Title	Cost
Holy Rosary Hospital Missoula	Initiation of Home Health Agency	\$45,000
St. Patrick's Hospital Missoula	Purchase of CAT Scanner	\$436,000
Good Samaritan Society Malta	Construction of 60 Bed LTC Facility	\$1,032,000
St. James Community Hospital, Butte	Replacement of X-Ray Equipment	\$160,000
Pondera County Hospital Conrad	Cost over-run on facility renovation	\$200,000
*Clark Fork Valley Plains	Construction of LTC	\$76,011
	TOTAL COST	\$10,900,230

*Note: These applications were disapproved by the Montana Health Systems Agency because of project non-feasance.

The Montana Health Systems Agency has reviewed the following projects for A-95 purposes:

Applicant	Proposed Title	Cost
Eastern Montana Mental Health Center, Miles City	Eastern Montana Mental Health Center Continuation Grant	\$200,032
*HMO - Miles City	Development Grant for the HMO for Eastern Montana by S.E. Health Plan Foundation.	\$828,722
Montana United Indian Alliance	Family Planning Proposal	\$111,461
Water Quality Bureau Dept. Health and Environmental Sciences	Public Water Supply Proposal	\$205,000
	Proposal Total Cost	\$1,345,215

COST CONTAINMENT

As indicated in the preceding applications list the Montana Health Systems Agency has performed numerous reviews which are subject to Section 1122 of the Social Security Act and the Montana Certificate of Need Law. The total dollar amount of those projects reviewed and approved is \$10,594,234.00.

The MHSA has initiated its attempts to contain costs. It has disapproved the Health Maintenance Organization for Eastern and South Central Montana. It has recommended disapproval of the construction of additional long-term care beds in Plains, Montana, and has encouraged the withdrawal of an LTC application by Missoula General Hospital in Missoula, Montana. The original application of Missoula Community Hospital for surgical operating room areas was disapproved. The succeeding, recommended application was approved for a savings of \$215,000.00. These savings are translating to savings for the consumer of health care. It is estimated, to date, that approximately \$2,784,011.00 has been affected under processes of the current Section 1122 of the Social Security Act and the Montana Certificate of Need Law. Additional sums, not presently estimable, are being saved through the utilization of Montana Health Systems Agency staff in the preparation of applications and the consequent consideration of alternatives and modifications for less costly health care services and improved accessibility.

For A-95 purposes, Montana Health Systems Agency has review four projects totaling \$1,345,215.00.

The Montana Health Systems Agency, Incorporated in conjunction with the State Health Planning and Development Agency approached the development of reviews of New Institutional Health Services on a partnership basis in one synchronized process. This approach minimizes duplication of effort and resource allocation of both agencies.

The development of review process was first initiated during the fiscal year (August 22, 1976 - August 22, 1977) on entering into 1122 and Montana Certificate of Need reviews by agreement with SHPDA and approval of the MHSA Governing Board as a mechanism to aid SHPDA in the performance of its functions.

The MHSA and SHPDA conjointly developed a program review manual consistent with Section 1532 of P.L. 93-641 and Title 4 CFR Part 123 with consideration of the special characteristics of Montana, a single HSA state.

The Board of Directors of MHSA approved the review process to be utilized by MHSA and all of its committees. This process established that each subarea council will hold a public meeting or public hearing. Based on the input received and consideration of the staff analysis of the project, the committee makes a recommendation to the Program Review Committee

of the MHSA. One of the functions of the Program Review Committee is the review of the recommendation of the subarea council and the insurance that the recommendations are consistent with the standards, plans and procedures adopted by the Board of Directors of the MHSA (which are the minimum required under Section 1532 of the Act and Title 42 CFR Part 123).

The Program Review Committee also handles all reviews for New Institutional Health Services that are proposed to serve more than one subarea.

The Executive Committee will approve or disapprove of projects under Section 1532 based on the recommendations of the Program Review Committee and the Subarea Council.

The preceding is a continual process and will be followed for each application. In the pre-conference with the applicants the procedures to be utilized in the review are explained. All projects, upon initial submission, are reviewed for completeness based on the information required and requested. The staff and subarea representative working with the Director of Plan Implementation prepares a staff report taking into consideration any concerns of the SHPDA. All subarea public meetings and public hearings are scheduled by the subarea liaison. The meetings of the Montana Health Systems Agency's Program Review Committee on the statewide level are scheduled, announcements and staff reports disseminated by the Director of Plan Implementation. The results of the meetings are presented to the Executive Committee meeting for action in behalf of the Montana Health Systems Agency. The Director of Health Planning Implementation provides all reports and information necessary for the decision making of the Executive Committee. The recommendation of the Montana Health Systems Agency is announced to the public media, affected parties, SHPDA and the applicants. Since this is an ongoing function it does not appear on gant charts of the Work Program.

The procedures, criteria, standards, roles of committee and staff, minimum criteria types of reviews, process to be used, schedules for public notice, etc. were incorporated in the Program Review Manual. The Manual also includes the types of information needed and application forms for each type of review.

The Manual was sent to all health care facilities, PSRO, Montana Hospitals Rate Review System, Governing Board Members, SHCC members and subarea councils for their comments. A public hearing was held to discuss the manual after which the comments received were presented to the Program Review Committee which made a recommendation to the Governing Board for adoption of the Manual at its Board meeting on April 22, 1977.

The manual has been printed and distributed as a joint document by the MHSA and SHPDA to the Health Care Facilities in Montana. The highlights of the manual are:

- 1) Time deadlines for requesting a public hearing
- 2) Publishing dates for the schedules for reviews
- 3) Procedures for a public hearing or public meeting
- 4) A summary of each type of review and the minimum criteria for each
- 5) The information needed and format required
- 6) Criteria to request reconsideration
- 7) Role of the staff and staff report

The MHSA and SHPDA have a very close working relationship, and, as of this date, all working relationships have been accepted by SHPDA.

Education and orientation meetings have been held for each of the five subarea program committees as well as the Program Review Committee of the Governing Board and the Executive Committee.

The present status of the development of the Montana Health Systems Agency, Incorporated ability to review federal funds is as follows:

- a) The agency has entered into agreements with the A-95 Agency to review and comment on federal health funds under the prior notification and review system as delineated in OMB Circular A-95.
- b) The Governing Board of the MHSA has approved the process to be utilized for the review of federal funds covered under A-95 and under 1513 (e) of P.L. 93-641. The policy requires that the subareas make a recommendation to the Executive Committee. The Executive Committee acts for the MHSA and sends the recommendation to the appropriate party.
- c) The MHSA has published a manual which was distributed for comment and approved by the Governing Board. The manual contains:
 - 1) the process to be used,
 - 2) types of reviews and enabling statutes,
 - 3) information required by the MHSA,
 - 4) application form to be submitted,
 - 5) minimum criteria for review of federal funds

Included in the criteria for review of federal funds is the fact that the HSP and AIP will be one of the criteria upon which the MHSA bases its decisions.

The Montana Health Systems Agency, Incorporated has three years from the date of conditional designation to perform its review of appropriateness. By the end of the second year of designation, and upon full designation, the MHSA will have developed the process and criteria to conduct the review for appropriateness. Due to the close relationship developed with the SHPDA the process will be developed conjointly.

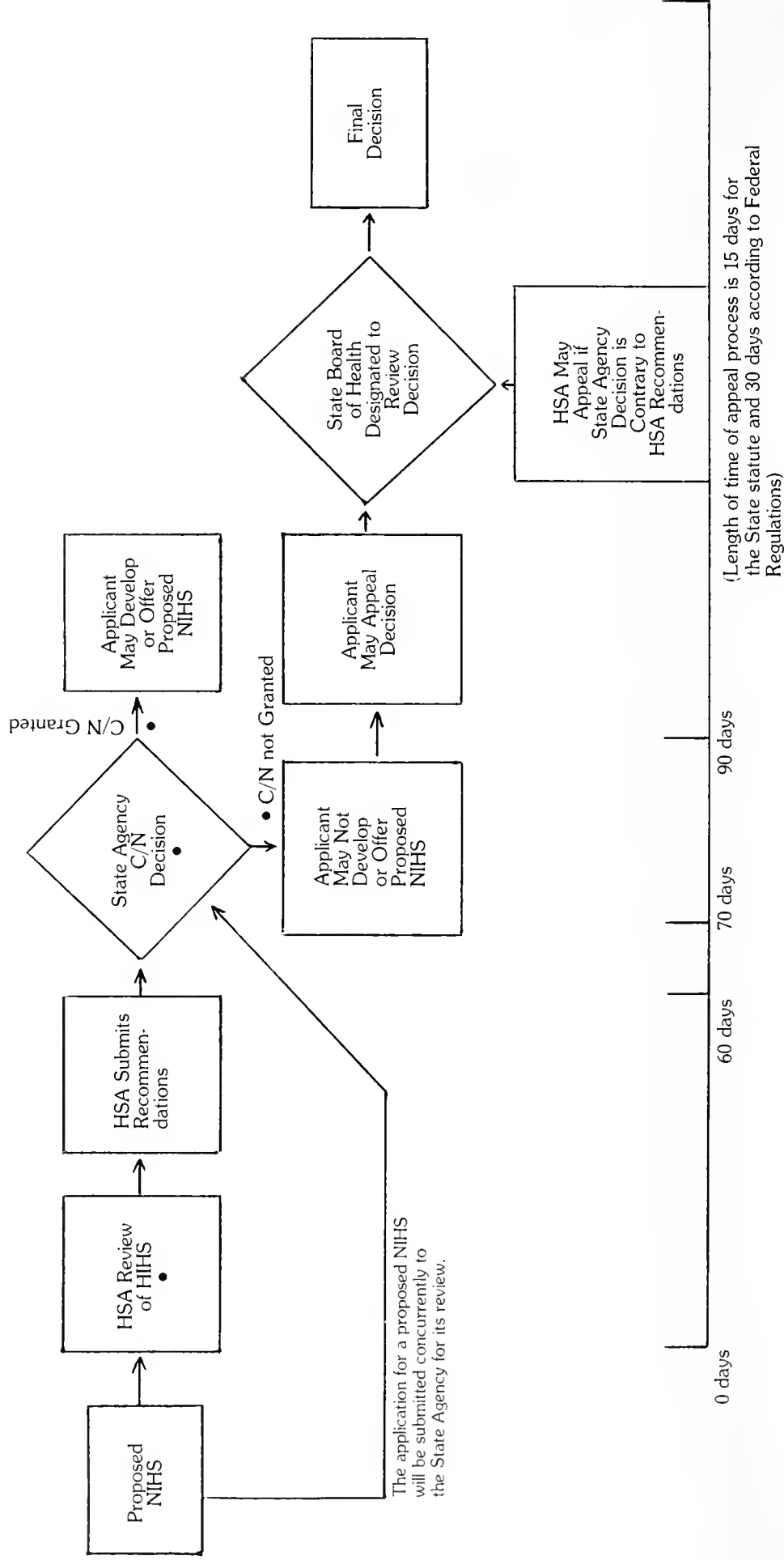
The staff of the MHSA will explore the current status of methodology for performing reviews of appropriateness with the staff of the Montana SHPDA, other SHPDAs and HSAs in the country. The staff will research all known and available information concerning this type of review. Based on its research, the staff will present to the MHSA Program Review Committee, a draft paper on the methodology for the reviews for appropriateness. The Program Review Committee will recommend to the Governing Board in April, 1978, the process to be used, the criteria, and the people to be involved. The actual reviews will be conducted during the first year of full designation. In all reviews of the Program Review Manual and any contemplated changes deemed necessary by the MHSA staff, comments and opinions will be solicited from the Montana Hospital Association, Montana Foundation for Medical Care (PSRO), A-95, SHPDA, SRS, Division of Medical Systems and the Montana Hospitals Rate Review System prior to the presentation to the MHSA Governing Board.

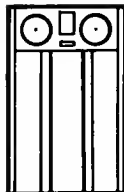
REVIEW OF NEW INSTITUTIONAL HEALTH SERVICES, CERTIFICATE OF NEED, & SECTION 1122 REVIEW

ACTIVITIES SUBJECT TO REVIEW

1. Construction, Development or Other Establishment of New Health Care Facility.
2. Capital Expenditure > \$50,000
3. Change in Existing Bed Complement Through Addition, Conversion or Relocation of Beds
4. New Health Services
5. Expenditures for Predevelopment Activities > \$50,000
6. Certain Purchases of Diagnostic or Therapeutic Equipment

- = Opportunity for Requesting Public Hearing
- NIHS = New Institutional Health Services
- C/N = Certificate of Need





DATA MANAGEMENT AND ANALYSIS

The overall data management and analysis strategy being used by the Montana Health Systems Agency (MHSA) and State Health Planning and Development Agency (SHPDA) is to consolidate most of these activities in a single organization. The Bureau of Records and Statistics (BRS) is currently under contract with MHSA and SHPDA to develop a central data base for the two agencies. A statistician has been hired to coordinate these activities.

It is intended that the initial data base consist of three components:

- Facilities Data
- Manpower Information
- Vital Statistics

For the past three years, the state agency has annually collected basic data from each hospital and long term care facility in the state. Up to this time, however, this data has not been computerized in a usable form. In the past, these data have been primarily used to support the development of the State's Hill-Burton Plan. One of the first assignments of the data coordination is to develop a computerized data base for the 1975 and 1976 data so that tabulations can easily be prepared, and basic analyses conducted to support the development of the Health Systems Plan, State Health Plan and the State Medical Facilities Plan.

Up to this time, Manpower data has been kept by the individual licensing boards. Most of these data bases are manual and little effort has been made to summarize the information contained therein. The second task of the data coordinator will be to explore the feasibility of consolidating and automating these data bases.

Basic Vital Statistics data is already being collected and processed by the State's Bureau of Records and Statistics. This information has been made available in summary form to the two health planning agencies.

In addition to these three data bases, the BRS coordinator will be responsible for developing an inventory of the various depositories of health related data and to describe the methods which can be used to access them.

In Montana, local population estimates and projections are prepared by the Department of Community Affairs. The HSA has been given copies of these estimates for planning purposes. There is a problem with lack of acceptance of the figures in some parts of the state. Alternatives are now being considered.

In developing specific components for the tertiary services of the Health Plan, the HSA staff has contacted individual institutions for specific utilization information. Most hospitals have cooperated and sent the information promptly. In these components, it is the responsibility of the planner preparing the guidelines to gather the utilization data needed. This policy will continue as the staff begins to address the various federally funded health programs in the state. We have been assured access to Emergency Medical Service, Mental Health, Alcoholism Program, and Developmentally Disabled Data by their respective curators.

In addition to this general effort, two special projects involving data collection will be undertaken jointly by the MHSA and the State Agency during the upcoming year. These are a summary of state and federal expenditures for health care in Montana and a detailed facility patient origin study. Both of these will be used to educate the HSA board and committees, support the planning effort and provide background for the review functions. The first, a compilation of governmental expenditures, will be initiated in November. It is felt that such a study is needed to make rational health planning decisions.

The second project, a detailed patient origin study, is needed because the last one was completed in 1973 using 1970 and 1971 data. Whereas many new services have been provided in Montana since that time, it is felt that the referral patterns have been changed. This is especially true for the tertiary care services. To assist in the updating and revision of the tertiary care plan components, this study must be completed by April, 1978.



COORDINATION

The Montana HSA has entered into Memoranda of Understanding with the Montana Hospitals Rate Review System, Department of Social and Rehabilitative Services, Division of Economic Assistance, Bureau of Medical Assistance, Montana Governor's Office of Budget and Program Planning (A-95 Clearinghouse), and Professional Standards Review Organization (Montana Foundation for Medical Care, Inc.)

The Memoranda of Understanding contain the following:

- 1) The opportunity to review and comment on the proposed Montana Health Systems Plan and Annual Implementation Plan.
- 2) The opportunity to review and comment on the proposed criteria and procedures to be developed by the MHSA for review of Federal funds and New Institutional Health Services.
- 3) Provision of technical assistance by either party provided that such provision is appropriate.
- 4) The Memorandum of Understanding with the Montana Governor's office of Budget and Program Planning allows the Montana Health Systems Agency, Incorporated to be involved in the A-95 prior notification and review system.
- 5) Provisions for the sharing of data in the Memoranda of Understanding to the extent possible within the constraints of confidentiality.
- 6) Every applicant shall have the opportunity to review and comment on individual project reviews, provided the comment is received by the MHSA thirty (30) days after its request.

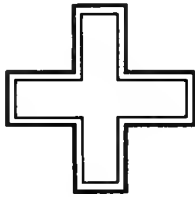
The MHSA will approach the major insurance carriers and the Montana Medical Association to consider similar agreements.

The Montana Health Systems Agency, Incorporated working with the SHPDA, has achieved a high degree of coordination consistent with P.L. 93-641 and regulations adopted pursuant to this act. This has been achieved through daily contact between the two staffs, formal joint-staff meetings, and a series of agreements between both agencies concerning planning, review and comment. The agencies also share committees, publish joint documents and staff reports.

As to the primary areas of responsibility in the area of planning, the SHPDA will be primarily responsible for the areas of State Government and the MHSA will be responsible for the areas of the private sector. When the staff of one agency takes a leadership role for an area of planning, the staff of the other agency will be in a supportive role.

In the area of Program Implementation the SHPDA and the MHSA developed an agreement for 1122, and Certificate of Need which as approved by the Board of Directors of the Montana Health Systems Agency, Incorporated and signed by the State Department of Health and Environmental Sciences. The SHPDA and MHSA developed one Program Review Manual for all reviews under the purview of P.L. 93-641. There was a joint hearing by both agencies for comments based on the inputs received and the manual was modified and adopted by the MHSA and SHPDA.

In addition, the Montana Hospital Association has set up a mechanism in which formal ad hoc committees may be called upon to advise the HSA and SHPDA in developing plan components. Thus far, committees have met to advise on five plan components.

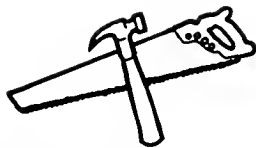


ADDITIONAL MONTANA HEALTH SYSTEMS AGENCY ACTIVITIES

The MHSA has received numerous requests to assist community groups in acquiring designations as Health Manpower Shortage Areas and assisting in the preparation of rural health initiative grant proposals. Communities included are:

- St. Ignatious and Southern Lake County
(Critical Medical Manpower Shortage Area)
- Blackfoot Indian Reservation, Glacier County
(Critical Medical Manpower Shortage Area)
- Boulder and Jefferson Counties
(Critical Medical Manpower Shortage Area)
- Chester and Liberty Counties
(Critical Dental Manpower Shortage Area)
- District Six, Musselshell, Wheatland and Golden Valley Counties
(Preparation of RHI Grant Proposals)
- Shelby and Toole County
(Critical Dental Manpower Shortage Area)
- Teton County
(Preparation of RHI Grant Proposals)
- Hill County
(Home Health Care Unit)
- Pondera County
(Home Health Care Unit)
- Pondera Pioneer Nursing
(Grant for equipment)
- Teton County
(Community Medical Center)
- Flathead County
(Critical Medical Manpower Shortage--Psychiatrist)
- Similiar requests have been received from several other counties and communities which did not qualify.

On special request from Governor Thomas Judge, Montana Health Systems Agency prepared a document to identify those counties in Montana demonstrating the greatest need for a primary health care center. This document may be used in conjunction with Old West Commission funds.



THE WORK PROGRAM

During the first year of condition designation, August 23, 1976 - August 22, 1977, all of the prescribed objectives and activities have been either fulfilled or adjusted within the estimated overall time frames. There have been some variances, both in targets and target dates, due to recently received Federal guidelines or our insistence that the people of Montana have ample time to consider and react to any or all of those objectives and activities. The latter is in concord with the wishes of both Montana Health Systems Agency and Governor Thomas Judge.

Following are those objectives and activities which have composed the first year Work Program:

PLAN DEVELOPMENT FUNCTIONS

HEALTH SYSTEMS PLAN (HSP)

- Planning framework established.
- Review of existing Montana health plans.
- Review of existing National Guidelines for health planning policies.
- Montana public awareness of HSA. (ongoing)
- Collection and tabulation of existing health resource information, area demographics and characteristics.
- Liaison with state and local government agencies, community groups, provider groups, associations. (ongoing)
- Health Systems Plan review procedures developed.
- Health Systems Plan components developed or in process.
- Draft components reviewed by five subarea councils and the public in five public hearings.
- Developed components reviewed and/or revised by MHSA Plan Development Committee.
- Completed and revised components reviewed and approved by MHSA Governing Board.

ANNUAL IMPLEMENTATION PLAN (AIP)

- Scheduled for completion in second year of conditional designation (August 23, 1977 - August 22, 1978) after completion of HSP.
- Preparatory work now underway includes establishment of AIP framework, criteria for ranking of needs, quantification of financial and manpower resources for each element to be included in the AIP.
- During the last six months of the second year the AIP will be completed, reviewed by the MHSA Plan Development Committee, submitted to Montana Health Systems Governing Board for consideration, any revisions and approval, and distributed to libraries, newspapers and the Statewide Health Coordinating Council (SHCC).

STATE HEALTH PLAN

In Montana the Health Systems Plan (HSP) and the State Health Plan (SHP) will be one and the same. In accordance with the coordination agreement of Montana Health Systems Agency (MHSA) and the State Health Plan Development Agency (SHPDA) the staffs of both agencies are working concurrently and conjointly on the Plan, first the HSP (which has the shorter time frame), then the SHP. Components which will comprise the State Medical Facilities Plan are tailored to meld. Establishment of needs and priorities are now in the study stages. The development of descriptions of programs, time sequences and coordinative efforts will commence with the completion of the Annual Implementation Plan (AIP).

PLAN IMPLEMENTATION FUNCTIONS

- Transfer of files, current agreements, criteria and standards for 1122 reviews has been completed.
- Transfer of project review activities from existing 314 (b) agencies has been completed.
- Establishment with State Health Planning Development Agency (SHPDA) of criteria for project review process has been completed.

PROJECT REVIEW ACTIVITIES

- Procedures for project review in accordance with statutes and 1122 are developed and printed.
- The Program Review Manual is completed.
- Reviews and comments on 1122 review are ongoing.
- Need for proposed new institutional health services will be developed in second year.
- Recommendations on projects for modernization and/or construction of medical facilities are ongoing.
- Procedures, criteria and policies for review of proposed use of Federal funds for development, expansion and support of health resources in Montana will be developed in second year.
- Procedures for review of appropriateness of institutional health care services offered in Montana will be developed in second year.

RESOURCES DEVELOPMENT ACTIVITIES

- Assistance to entities and individuals with design of programs and projects that are consistent with HSP and AIP development is ongoing.

DATA MANAGEMENT AND ANALYSIS

Development of mechanisms for inclusion and integration of data in plan development framework is ongoing.
Data needs have been defined.
Development of working mechanism for obtaining data when needed is ongoing.
Ongoing analysis of data to determine trend, need and projections, available resources, etc. for meeting objective of the HSP and AIP.

AGENCY MANAGEMENT

AGENCY POLICY AND PROCEDURES

Review of operational and managerial policies of agency for conformance to P.L. 93-641 has been completed.
Development and adoption of policies and procedures for agency operation is completed and ongoing.

ANNUAL WORK PROGRAM AND GRANT APPLICATION

Annual Work Program for the second year has been completed.
Montana Health Systems Agency has been conditionally designated for the second year.

SUPERVISION AND COORDINATION OF AGENCY ACTIVITIES

Ongoing.

PROVISION OF ADMINISTRATIVE SERVICES

Fiscal and accounting procedures, payroll, fringe benefits, property and facilities management developed and ongoing.
Reporting requirements for Federal, State and Local Government Agencies are being met.
Personnel recruitment, hiring and evaluation is conducted as needed.

GOVERNING BODY, SUBAREA COUNCILS, COMMITTEE REPRESENTATION

Training seminars for Governing Board, and MHSA committee members have been conducted.
Policy as to size, composition and operation of subarea advisory councils has been adopted.
Training seminars have been provided subarea councils.
Preparations and distribution of agendas, minutes and other information to Governing Board members and subarea councils is ongoing.

PUBLIC INFORMATION AND COMMUNITY RELATIONS

Policy for provision of public information has been established and published.
Provision of information to residents as to what an HSA is and its mandates and goals is ongoing.

STAFF EDUCATION AND TRAINING

Periodic orientation sessions are held with staff.
Training needs for staff have been assessed.
Ongoing training programs are defined.

INTERAGENCY COORDINATION

Working agreements have been signed with Professional Standards Review Organizations, Montana Hospitals Rate System, A-95 Clearinghouse, Department of Social and Rehabilitative Services, and Department of Health and Environmental Sciences.

AGENCY REVIEW AND EVALUATION

Objectives for accomplishment of work goals have been attained.
Methodology for evaluation of HSA success in fulfilling its mandates is developed.
Annual evaluations of changes in Health Systems Plan and Annual Implementations Plan will commence in the third year.

Accounting System and Financial Reports

The system is a double entry bookkeeping system utilizing a daily ledger and a monthly ledger. By debiting the income of one account and crediting it to the expense account an equal balance is maintained. A chart of accounts is used for each individual income and expense incurred by the MHSA.

Quarterly reports are calculated according to the regulations of the Regional office.

Payroll is performed on semi-monthly schedule with corresponding reports to the Federal and State Governments, the Unemployment Insurance Division and the Workman's Compensation Division.

MONTANA HEALTH SYSTEMS AGENCY, INC.

Statement of Revenue and Expenses
For Period October 1, 1976 through August 22, 1977
(Unaudited)

Revenue		Expenses	
Federal	\$207,326	Personnel	\$116,955
State	93,850	Payroll taxes	10,499
Other	8,141	Employee benefit - health insurance	5,212
Comprehensive Health Planning Agencies	3,456	Recruitment	4,097
Treasure State HSA	1,995	Consultants	9,804
Interest	<u>1,258</u>	Supplies	17,349
Total receipts	316,026	Public notices	4,087
		Travel	40,015
		Rent	10,623
		Furniture and fixtures purchased	4,408
		Telephone	6,129
		Postage	3,998
		Data management	17,500
		Miscellaneous	<u>1,679</u>
		Total expenses	<u>252,355</u>
		Excess of revenue over expenses	<u>\$ 63,671</u>

MONTANA HEALTH SYSTEMS, INC.

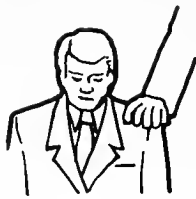
Statement of Financial Position
August 22, 1977
(Unaudited)

ASSETS

Current Assets		
Cash	\$53,539	
Funds receivable - Federal	<u>31,300</u>	
Total current assets		<u>\$ 84,839</u>

LIABILITIES AND FUND BALANCE

Current Liabilities		
Accounts payable	\$ 20,320	
Payroll taxes payable	<u>848</u>	
Total current liabilities		\$ 21,168
Fund Balance		
Balance, October 1, 1976	-0-	
Excess of revenue over expenses		
October 1, 1976 through August 22, 1977	<u>63,671</u>	
Fund balance August 22, 1977		<u>63,671</u>
		<u>\$ 84,839</u>



ASSURANCES

Of Requirements

The assurances that MHSA will continue to meet the requirements of 1512 (b) of the Public Health Service Act and will be qualified to perform the guidelines prescribed by Section 1513 of the Act and regulations developed pursuant to the Act is demonstrated by the following:

The Montana Health Systems Agency is currently operating on the Work Program approved by DHEW. This work program is Phase I of a two-year action plan which enables the Montana Health Systems Agency to become fully designated within twenty four months. Based on the adherence to and progress made in Phase I, the MHSA feels that this constitutes assurance that Montana Health Systems Agency, Inc. will meet the requirements for full designation within the time allotted.

Phase II, our action plan for the second year of conditional designation based on progress made in Phase I, is a logical plan for meeting full designation within the twenty four months. The proposed work program, as delineated, provides the itinerary, schedule and the means for accomplishing all of the necessary functions and meeting the necessary requirements. The work program has specificity in its reflection of priorities, resources and proposed utilization.

Of Compliance

In reference to Title VI of the Civil Rights Act of 1964 (prohibiting discrimination on the grounds of race, color, national origin, age), Title IX of the Education Act Amendments of 1972 (prohibiting discrimination on the basis of sex) and Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112) which prohibits discrimination on the basis of handicap, these assurances have been previously submitted. The assurances are reinforced in the personnel policy.

The Montana Health Systems Agency, being a single state agency covers numerous Indian reservations. Because the law is specific in its requirements that the Native Americans be informed of the actions of the Health Systems Agency, the Montana Health Systems Agency in the spirit of the law has adopted the following policies to insure that the Native Americans and tribal councils are informed of the law and have the opportunity to participate. The MHSA currently has representatives from both major Native Indian groups, and provides pertinent information to various statewide affiliations and the Indian Health Service. These representatives should inform their constituents of the law and MHSA activities. In addition, the staff of the Health Systems Agency is available to provide educational seminars, technical assistance and speak to the Native American when so requested. As materials are published, they will be sent to the appropriate representatives for distribution.

Procedures for providing the public with information of HSA activities are established and implemented. Public meetings, conferences, interviews and releases are utilized. The subarea advisory councils are providing excellent forums for public participation, and this communications network is becoming increasingly effective.

